

Message Text

SECRET

PAGE 01 CAIRO 11939 021704Z
ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 /026 W
-----000457 021732Z /53

R 021650Z MAY 78
FM AMEMBASSY CAIRO
TO SECSTATE WASHDC 8596

S E C R E T CAIRO 11939

EXDIS

E.O. 11652: GDS
TAGS: MARR, EG, IS, US
SUBJECT: E-1--GOE SUSPENSION OF ALL CIVIL ENGINEERING
- WORK ASSOCIATED WITH PROJECT

1. HAVE RECEIVED FOLLOWING MEMORANDUM RE GOE SUSPENSION
OF ALL CIVIL ENGINEERING WORK ASSOCIATED WITH E-1 PROJECT:

(A) AT 29 APRIL MEETING CALLED BY MAJOR GENERAL GAMAL, HE INFORMED MR. WAINWRIGHT THAT HE HAD BEEN ORDERED BY THE MINISTRY OF WAR (MINWAR) ON 27 APRIL TO SUSPEND IMMEDIATELY ALL CIVIL ENGINEERING WORK ASSOCIATED WITH SITE E-1 UNTIL THE GENERAL ELECTRIC (GE) CONTRACT HAD BEEN APPROVED BY THE OMC AND THE CONTRACT WAS OPERATIVE (GE LETTERS OF GUARANTEE, DOWN PAYMENT, AND GOE LETTER OF CREDIT EFFECTED). AFTER THIS STEP, THE MINWAR WOULD ADVISE GAMAL WHEN HE COULD PROCEED. GAMAL SAID MINWAR COULD NOT ASK THE PRESIDENCY FOR FUNDS TO BE COMMITTED UNTIL THERE WAS A U.S. GOVERNMENT APPROVED CONTRACT ON WHICH TO BASE ITS REQUEST.

(B) IN DISCUSSING THIS DEVELOPMENT PRIVATELY WITH MR. WAINWRIGHT, GAMAL SAID THAT THIS MINWAR ACTION MADE SENSE TO HIM. LAST YEAR (1977), HE HAD HAD A SPECIAL ALLOCATION OF 800,000 EGYPTIAN POUNDS FOR PRELIMINARY

SECRET

SECRET

PAGE 02 CAIRO 11939 021704Z

CIVIL ENGINEERING WORK ON SITE AND MULTI-PURPOSE FACILITY BUT TURNED IT BACK WHEN SCHEDULE SLIPPAGES PRECLUDED ITS USE IN 1977. HOWEVER, THIS YEAR, GAMAL SAID MINWAR PREFERRED TO INCLUDE THE ALLOCATION FOR CIVIL ENGINEERING WORK IN THE OVERALL BUDGET FOR THE PROJECT RATHER THAN TREAT CIVIL ENGINEERING AS A SEPARATE REQUIREMENT. GAMAL ESTIMATED CIVIL ENGINEERING WORK WOULD TAKE A TOTAL OF

THREE MILLION EGYPTIAN POUNDS FROM A MINWAR-ESTIMATED TOTAL PROJECT COST OF \$U.S. 150 MILLION (INCLUDING A GE CONTRACT TO PRICE).

(C) FOLLOWING U.S. GOVERNMENT APPROVAL, GAMAL CONTINUES TO ESTIMATE THAT IT WILL REQUIRE TWO MONTHS FROM THIS DATE TO COMPLETE DETAILS AND MAKE THE GE CONTRACT OPERATIVE.

(D) AFTER DELIVERING HIMSELF OF THE OFFICIAL EXPLANATION FOR THE SUSPENSION OF CIVIL ENGINEERING ACTIVITIES, GAMAL SEEMED TO FEEL FURTHER EXPLANATION OR DISCUSSION WAS NECESSARY. HE SAID THAT UNOFFICIALLY ("PERSONALLY") HE WAS NOT CONCERNED ABOUT THE DELAY BECAUSE THE E-1 PROJECT WAS PART OF THE (SINAI) AGREEMENT LEADING TO PEACEFUL SOLUTION OF THE ISRAELI-EGYPTIAN PROBLEM WHICH NOW SEEMED TO BE A LONG WAY OFF. HE NOTED THAT IF ANOTHER WAR CAME, E-1 WOULD BE LOST IN THE FIRST FEW MINUTES. ON THE OTHER HAND, IF PEACE WERE ACHIEVED, E-1 WAS NOT THE CORRECT LOCATION FOR A FUTURE EW STATION, BUT RATHER IT SHOULD BE MOVED FURTHER EAST OR AT LEAST TO ANOTHER LOCATION WHERE RADAR COULD BE USED WITHOUT RESTRICTIONS ON ITS USAGE OR THAT OF THE OTHER COLLECTION EQUIPMENT. ALTHOUGH GIVEN SEVERAL OPPORTUNITIES TO EXPAND HIS THOUGHTS FURTHER, GAMAL DID NOT, NOR WOULD HE INDICATE WHETHER HE THOUGHT THE DELAY WOULD BE LONGER THAN THE TWO MONTHS

SECRET

SECRET

PAGE 03 CAIRO 11939 021704Z

NECESSARY TO OBTAIN FUNDS AFTER OMC APPROVAL.

(E) ABOVE MINWAR DECISION DID NOT AFFECT REFERENCE RELOCATION SCHEDULE. ELINT PORTION OF THE SYSTEM HAS BEEN RELOCATED AS OF 30 APRIL. COMINT PORTION (GOE RESPONSIBILITY) WILL BE RELOCATED IN APPROXIMATELY 20 DAYS. THE DELAY IS DUE TO GOE FAILURE TO COMPLETE THE COMINT BUILDING ON HILL 701 AS SCHEDULED.

2. WILL KEEP DEPT ADVISED OF ANY FURTHER DEVELOPMENTS.

3. COMMENT: WE HAVE HAD INFORMAL INDICATIONS THAT GAMASY HAS FOR BUDGETARY REASONS DECIDED TO SUSPEND ENTIRE E-1 PROJECT. HE HAS NOT THUS FAR INFORMED GENERAL GAMAL OF THIS INTENTION, ALTHOUGH ACTION REPORTED ABOVE WOULD SEEM TO BE FIRST STEP IN THAT DIRECTION. EILTS

SECRET

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CLOSURE OF OFFICES, CIVIL ENGINEERING, MONITORING FACILITIES, RADAR EQUIPMENT
Control Number: n/a
Copy: SINGLE
Draft Date: 02 may 1978
Decaption Date: 20 Mar 2014
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978CAIRO11939
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780187-0216
Format: TEL
From: CAIRO
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197805104/aaaadkjd.tel
Line Count: 110
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: d34ad593-c288-dd11-92da-001cc4696bcc
Office: ACTION SS
Original Classification: SECRET
Original Handling Restrictions: EXDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: SECRET
Previous Handling Restrictions: EXDIS
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 15 jun 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2524269
Secure: OPEN
Status: NATIVE
Subject: E-1--GOE SUSPENSION OF ALL CIVIL ENGINEERING - WORK ASSOCIATED WITH PROJECT
TAGS: MARR, EG, IS, US
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/d34ad593-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014